

research and development under Department of Defense category 6.1 or 6.2.

**SEC. 203. DUAL-USE TECHNOLOGY PROGRAM.**

(a) ALLOCATION OF FUNDS.—Of the amount appropriated pursuant to the authorization in section 201(4), \$85,000,000 shall be available for the dual-use technology program under this section.

(b) DESIGNATION OF OFFICIAL FOR DUAL-USE PROGRAM.—(1) The Secretary of Defense shall designate a senior official in the Office of the Secretary of Defense to have as that official's sole responsibilities developing policy relating to, and ensuring effective implementation of, the dual-use technology program of the Department of Defense. In carrying out such responsibilities, the official shall ensure—

(A) that commercial technologies are integrated into current and future military systems to the maximum extent practicable;

(2) that dual-use projects are coordinated with the joint warfighting science and technology plan referred to in section 270; and

(3) that dual-use projects of the military departments and the defense agencies are coordinated and avoid unnecessary duplication.

(2) The senior official designated under paragraph (1) shall Effective date. carry out such responsibilities during the period beginning on October 1, 1996, and ending on September 30, 2000. Such official shall report directly to the Under Secretary of Defense for Acquisition and Technology.

(4) FUNDING REQUIREMENT.—Of the amounts appropriated pursuant to the authorizations in section 201 for the Department of Defense for science and technology programs for fiscal year 1997, at least 5 percent of such amounts shall be available only for dual-use projects of the Department of Defense. The funds made available under the preceding sentence are in addition to the funds made available under subsection (a).

(5) LIMITATION ON OBLIGATIONS.—Funds made available pursuant to subsections (a) and (c) may be used for a dual-use project only if the contract, cooperative agreement, or other transaction by which the project is carried out is entered into through the use of competitive procedures.

(6) TRANSFER AUTHORITY.—In addition to the transfer authority provided in section 1001, the Secretary of Defense may transfer funds made available pursuant to subsections (a) and (c) for a dual-use project from a military department or defense agency to another military department or defense agency to ensure efficient implementation of the dual-use technology program. The Secretary may delegate the authority provided in the preceding sentence

to the senior official designated under subsection (b).

(7) FEDERAL COST SHARE. ~~—~~The share contributed by the Secretary of a military department or the head of a defense agency

for the cost of a dual-use project during fiscal year 1997 may not be greater than 50 percent of the cost of the project for that

fiscal year.

(8) REPORT. ~~—~~At the same time the President submits to Congress the budget for fiscal year 1998 pursuant to section 1105(a)

of title 31, United States Code, the Secretary of Defense shall submit to Congress a report that specifies the investment strategy